

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 731

To assist rural rail infrastructure, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 1 (legislative day, MARCH 3), 1993

Mr. PRESSLER introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To assist rural rail infrastructure, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

### 3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Rural Rail Infrastruc-  
5 ture Act of 1993”.

### 6 **SEC. 2. LOCAL RAIL FREIGHT ASSISTANCE; AUTHORIZA-** 7 **TION OF APPROPRIATIONS.**

8 Section 5(q) of the Department of Transportation  
9 Act (49 U.S.C. App. 1654(q)) is amended to read as fol-  
10 lows—

11 “(q) There are authorized to be appropriated to the  
12 Secretary for the purposes of this section not to exceed

1 \$100,000,000 for fiscal year 1994, \$100,000,000 for fis-  
2 cal year 1995, \$100,000,000 for fiscal year 1996, and  
3 \$100,000,000 for fiscal year 1997. Such sums as are ap-  
4 propriated are authorized to remain available until ex-  
5 pended.”.

6 **SEC. 3. LOCAL RAIL FREIGHT ASSISTANCE; PRIORITY OF**  
7 **PROJECTS.**

8 Section 5 of the Department of Transportation Act  
9 (49 U.S.C. App. 1654) is amended by adding at the end  
10 thereof the following new subsection:

11 “(r) In addition to the other criteria imposed under  
12 this section, when considering applications for rail freight  
13 assistance under subsection (b), the Secretary shall give  
14 priority to projects which enhance safety, including  
15 projects which improve, rehabilitate, or reconstruct  
16 bridges.”.

17 **SEC. 4. RAILROAD LOAN GUARANTEES; ANNUAL OBLIGA-**  
18 **TIONS AUTHORIZED.**

19 Section 511(e) of the Railroad Revitalization and  
20 Regulatory Reform Act of 1976 (45 U.S.C. 831(e)) is  
21 amended by adding at the end thereof the following: “For  
22 projects of the type described in paragraph (1) or (2) of  
23 subsection (a) of this section: (1) for any one fiscal year,  
24 there is authorized to be appropriated sufficient credit au-  
25 thority to allow an amount not to exceed \$500,000,000

1 of principal obligations; and (2) not less than  
2 \$500,000,000 of the aggregate unpaid principal amounts  
3 of obligations which may be guaranteed by the Secretary  
4 under this section at any one time shall be for such  
5 projects.”.

6 **SEC. 5. RAILROAD LOAN GUARANTEES; MINIMUM REPAY-**  
7 **MENT PERIOD AND PREPAYMENT PEN-**  
8 **ALTIES.**

9 Section 511(g)(2) of the Railroad Revitalization and  
10 Regulatory Reform Act of 1976 (45 U.S.C. 831(g)(2)) is  
11 amended to read as follows:

12 “(2) payment of the obligation is required by its  
13 terms to be made not less than 15 years nor more  
14 than 25 years from the date of its execution, with  
15 no penalty imposed for prepayment after 5 years;”.

16 **SEC. 6. RAILROAD LOAN GUARANTEES; MAXIMUM RATE OF**  
17 **INTEREST.**

18 Section 511(f) of the Railroad Revitalization and  
19 Regulatory Reform Act of 1976 (45 U.S.C. 831(f)) is  
20 amended by striking “shall not exceed an annual percent-  
21 age rate which the Secretary determines to be reasonable,  
22 taking into consideration the prevailing interest rates for  
23 similar obligations in the private market” and inserting  
24 in lieu thereof “shall not exceed the annual percentage

1 rate charged for a comparable term by the Federal Fi-  
2 nancing Bank”.

3 **SEC. 7. RAILROAD LOAN GUARANTEES; DETERMINATION**  
4 **OF REPAYABILITY.**

5 Section 511(g)(5) of the Railroad Revitalization and  
6 Regulatory Reform Act of 1976 (45 U.S.C. 831(g)(5)) is  
7 amended to read as follows:

8 “(5) either the loan can reasonably be repaid by  
9 the applicant or that the loan is collateralized at cur-  
10 rent value of assets to provide reasonable protection  
11 to the United States;”.

12 **SEC. 8. RAILROAD LOAN GUARANTEES; RIGHTS OF SEC-**  
13 **RETARY.**

14 Section 511(i) of the Railroad Revitalization and  
15 Regulatory Reform Act of 1976 (45 U.S.C. 831(i)) is  
16 amended by inserting at the end the following new para-  
17 graph:

18 “(4) The Secretary shall not require, as a condition  
19 for guarantee of an obligation, that all preexisting secured  
20 obligations of an obligor be subordinated to the rights of  
21 the Secretary in the event of a default, but the Secretary  
22 may condition guarantee of an obligation upon being in  
23 pari passu with such other obligations.”.

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